

## HUMAN SERVICES - DSHS

Program 050

### DSHS - Long Term Care

#### Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2005-07 Expenditure Authority</b>	1,154.9	1,228,339	1,288,766	2,517,105
<b>Supplemental Changes</b>				
Middle Management Reduction	(17.0)	(752)	(906)	(1,658)
Agency Provider Wage Supplement		88	88	176
Forecast Cost/Utilization		6,971	8,450	15,421
Agency Provider Health Premium Correction		16,623	17,247	33,870
Loss of Alien Emergency Medical Program Eligibility		971	(971)	
Statewide Leased Facilities Implementation Transfer	(.4)	(40)	(40)	(80)
Federal Funds Technical Adjustment				
L&I Rate Adjustments		11	10	21
Fund Source Adjustments		915	(915)	
Pension Plan 1 Unfunded Liabilities			563	563
Classification Revisions			(1)	(1)
Technical Corrections		(43)	(465)	(508)
Lease Rate Adjustments		512	488	1,000
Mileage Rate Adjustments		102	103	205
Mandatory Caseload Adjustments		1,075	1,416	2,491
Mandatory Workload Adjustments	9.6	793	723	1,516
Federal Medical Assistance Percentage Match Adjustment		(1,155)	1,155	
Unanticipated Receipts not in Carry Forward Level	2.5		1,098	1,098
<b>Subtotal - Supplemental Changes</b>	(5.4)	26,071	28,043	54,114
<b>Total Proposed Budget</b>	1,149.5	1,254,410	1,316,809	2,571,219
Difference	(5.4)	26,071	28,043	54,114
Percent Change	(0.5)%	2.1%	2.2%	2.1%

#### SUPPLEMENTAL CHANGES

##### Middle Management Reduction

Middle management and regional staff reductions that were placed in the agency's administrative budget are transferred into the program budgets. This step nets to zero agency wide. (General Fund-State, General Fund-Federal)

##### Agency Provider Wage Supplement

In the 2005-07 budget, homecare workers employed by agency providers were given a \$0.10 supplement to their hourly wage if their employer was able to demonstrate a legally binding commitment to increase the wages and had proof of a process to enforce this commitment. Additional funding is authorized to provide the supplemental wage increase to all agency homecare workers employed by qualifying providers. (General Fund-State, General Fund-Federal).

**Forecast Cost/Utilization**

Funding is provided for the costs and savings associated with per capita cost and utilization changes resulting from the October 2005 caseload forecast. (General Fund-State, General Fund-Federal)

**Agency Provider Health Premium Correction**

Funding necessary to provide minimum levels of health insurance for home care workers employed by contracted agencies is increased to reflect changes in projected monthly premiums and levels of participation. The projected premiums will maintain benefit and employee participation at levels comparable to historical offerings. (General Fund-State, General Fund-Federal).

**Loss of Alien Emergency Medical Program Eligibility**

Due to the Alien Emergency Medical (AEM) Program's increased scrutiny on service eligibility, it is projected that 34 clients currently receiving nursing home services funded through this program will no longer be eligible for services. The 34 affected clients will be held harmless and the state will continue to pay for their nursing facility care. No further long-term care clients will receive eligibility within this program. (General Fund-State, General Fund-Federal).

**Statewide Leased Facilities Implementation Transfer**

Staff and funding are transferred within the Department of Social and Health Services to support the Statewide Leased Facilities Model. These staff and dollars are transferred from program budgets to the administrative services budget. This item nets to zero agency-wide. (General Fund-State, General Fund-Federal)

**Federal Funds Technical Adjustment**

The spending plan for federal funds needs to be adjusted between federal account types to accurately reflect the source of federal match which will be earned in the enacted 2005-07 biennial budget. (General Fund-Federal)

**Fund Source Adjustments**

Adjustments are made to various fund sources because of some incorrect assumptions made in the 2005-07 Biennial Budget. The first adjustment results from an incorrect assumption of federal funding for the respite care rate increase included in the budget. Respite care is a state-only program and all funding for this program needs to be transferred to General Fund-State. Another adjustment is due to an assumption made regarding regional and middle management FTE staff reductions. These reductions should have only affected General Fund-State funded positions, but were mistakenly extended to budgets that rely solely on federal and private funds. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**Technical Corrections**

Several programs in the Department of Social and Health Services require technical corrections to the 2005-07 Biennial Budget. These corrections include changes related to shared services and information services. (General Fund-State, General Fund-Federal)

**Lease Rate Adjustments**

The Department needs additional funding to pay for leases during the 2005-07 Biennium. (General Fund-State, General Fund-Federal)

**Mileage Rate Adjustments**

The U.S. Treasury Department raised its allowable reimbursement rate for automobile mileage to \$.485, effective September 15, 2005 through December 2005. Effective January 2006, the rate becomes \$.445 per mile. Funding is provided for the difference between the \$.375 per mile reimbursement rate set in the 2005-07 Biennium and the new rates for the first year of the biennium. (General Fund-State, General Fund-Federal)

**Mandatory Caseload Adjustments**

The November 2005 forecast adopted by the Caseload Forecast Council projected changes in community-based care and nursing facility caseloads. Community-based care caseloads are projected to be 2 percent higher than funded levels, while nursing facility caseloads are projected to be 1 percent lower than funded levels. (General Fund-State, General Fund-Federal)

## **HUMAN SERVICES - DSHS**

### **Mandatory Workload Adjustments**

Professional staff involved in caseload management are funded based on the Caseload Forecast Council's October 2005 caseload projections. The forecast indicated that more staff are necessary to meet current caseload projections. Staff verify Medicaid eligibility, assess functional disability, ensure quality assurance, and coordinate the delivery of appropriate and cost-effective services in all long term-care settings. (General Fund-State, General Fund-Federal)

### **Federal Medical Assistance Percentage Match Adjustment**

The amount of federal funding available for match on current programs will increase as a result of the update to the Federal Medical Assistance Percentage (FMAP). The changes effective October 1, 2006, will increase the match for Medicaid from 50.00 percent to 50.12 percent. The match for the State Children's Health Insurance Program will increase from 65.00 percent to 65.08 percent. (General Fund-State, General Fund-Federal)

### **Unanticipated Receipts not in Carry Forward Level**

Federal expenditure authority is increased to recognize additional federal funds provided to the state since the enactment of the 2005-07 budget. The funds will be used to enhance the state's overall system of home and community-based services to better meet the needs of individuals with dementia and their family caregivers by integrating dementia-capable services into existing state programs, developing a model aging and disability resource center, and implementing an aging and disability information and referral assistance database and client management system. (General Fund-Federal)